

IC 6-3.1-31.5

Chapter 31.5. Energy Savings Tax Credit

IC 6-3.1-31.5-1**Application of chapter**

Sec. 1. This chapter applies only to taxable years beginning after December 31, 2008.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-2**"Energy star heating and cooling equipment"**

Sec. 2. As used in this chapter, "energy star heating and cooling equipment" means heating and cooling equipment that is rated for energy efficiency under the federal energy star program and manufactured in the United States.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-3**"Energy star program"**

Sec. 3. As used in this chapter, "energy star program" refers to the program established by Section 324A of the federal Energy Policy and Conservation Act.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-4**"Heating and cooling equipment"**

Sec. 4. As used in this chapter, "heating and cooling equipment" means:

- (1) a furnace;
- (2) a water heater;
- (3) central air conditioning;
- (4) a room air conditioner; and
- (5) a programmable thermostat.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-5**"Pass through entity"**

Sec. 5. As used in this chapter, "pass through entity" means:

- (1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
- (2) a partnership;
- (3) a limited liability company; or
- (4) a limited liability partnership.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-6**"Small business"**

Sec. 6. As used in this chapter, "small business" has the meaning set forth in IC 4-4-5.2-3.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-7**"State tax liability"**

Sec. 7. As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax); and
- (3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-8**"Taxpayer"**

Sec. 8. As used in this chapter, "taxpayer" means:

- (1) an individual filing a single return;
- (2) a married couple filing a joint return; or
- (3) a small business;

that has any state tax liability.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-9**Credit entitlement and amount**

Sec. 9. Subject to section 12 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year equal to the lesser of the following:

- (1) Twenty percent (20%) of the amount of expenditures for energy star heating and cooling equipment incurred by the taxpayer during the taxable year.
- (2) One hundred dollars (\$100).

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-10**Allocation of credit among shareholders, partners, and members**

Sec. 10. (a) If a pass through entity is entitled to a credit under this chapter but does not have state tax liability against which the credit may be applied, an individual who is a shareholder, partner, or member of the pass through entity is entitled to a credit equal to:

- (1) the credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributable income to which the individual is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and an individual who is a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same expenditures for energy star heating and cooling equipment.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-11**Credit carryover, carryback, or refund unavailable**

Sec. 11. The amount of a credit claimed under this chapter may not exceed a qualified taxpayer's state tax liability. A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-12**Credit not assignable**

Sec. 12. A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this chapter.

As added by P.L.175-2007, SEC.8.

IC 6-3.1-31.5-13**Maximum amount of credits; expiration**

Sec. 13. (a) The total amount of tax credits allowed under this chapter may not exceed one million dollars (\$1,000,000) in a state fiscal year.

(b) A taxpayer may not be awarded a credit under this chapter for taxable years beginning after December 31, 2010.

As added by P.L.175-2007, SEC.8. Amended by P.L.211-2007, SEC.29.

IC 6-3.1-31.5-14**Claim procedure**

Sec. 14. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this chapter.

As added by P.L.175-2007, SEC.8.